United Nations **General Assembly** A/C.2/54/SR.7

Distr.: General

Fifty-fourth session

Official Records

26 November 1999
English
Original: French

Second Committee

Summary record of the 7th meeting
Held at Headquarters, New York, on Friday, 8 October 1999, at 10 a.m.

Chairman: Mr. Olhaye ..... (Djibouti)

Contents

General debate (*continued*)

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

99-81490 (E)

The meeting was called to order at 10.10 a.m.

General debate (*continued*)

1. **Mr. Kanu** (Sierra Leone) said that his delegation associated itself with the statement made by the representative of Guyana on behalf of the Group of 77 and China and recalled that in June 1995 the African countries had agreed on the need for reforms to promote development, as specified in the Cairo Programme of Action. In that Programme the international community had also been called upon to help the African countries to find lasting solutions to the problems of external debt and declining official development assistance and direct foreign investment. The international community had regrettably not responded to that call, thus contributing to the continued marginalization of Africa in the world economy. The conventional theories used as models for Africa's development had borne very little fruit, and Sierra Leone thought that a new approach was required if Africa was to catch up.

2. Development in Africa, as in many developing countries, meant profound economic and social reforms, the rethinking of the traditional relations and values which still pervaded the bulk of African countries, and the restructuring of the existing welfare system. That would enable Africa to participate in globalization. It was astonishing that the international community should welcome globalization without paying any attention to its economic, social and political consequences.

3. Democracy was supposed to create the necessary conditions for economic growth in the sense that the electorate would be able to monitor the Government and dictate to it the directions to be taken. The market mechanism was supposed to be free and the institutions of democracy to introduce transparency in the markets. Price-fixing arrangements had to produce lower prices, which in turn would boost consumption and production. In such a system the people could save, and their savings would enable the financial institutions to supply local businesses with capital — another means of stimulating growth and creating jobs.

4. In order to encourage the establishment of democratic regimes the international community and the international financial institutions must renounce policies which merely undermined the efforts of the emerging democracies. The effect of such policies was to increase instability in many developing nations instead of promoting economic growth and sustainable development. They needed to be re-examined so as to take account of the realities on the ground, especially as the main result of cuts in public spending was less money for education, health and population control. What was the point of warning against the dangers of AIDS if the Government could not subsidize the distribution of contraceptives? Why encourage family planning if the people did not have the means to choose a method of contraception? All the theories of population growth showed that the higher the rate of infant mortality, the higher the birth rate as families attempted to get a sufficient number of children of working age. The developing countries must place the emphasis on education, which included sex education, and the fight against illiteracy. Generally speaking, budgetary restrictions affected primarily the education sector.

5. Women in Africa made up 51 per cent of the population and generally played an essential role in food production. Experience showed that one of the best ways of promoting social and economic development was to invest in that particularly productive population group. Women did not have the same access as men to social services, health and education. In Africa south of the Sahara more than half the women aged over 25 were illiterate. Moreover, cultural and structural barriers made it more difficult for women to own land and gain access to financial resources.

6. Population growth also had an impact on the environment and food security. The faster the rate of such growth, the more difficult it was for Governments to ensure food security. A bigger population meant increased use of arable land and natural resources. In addition, when confronted with problems of food security Governments were forced to spend valuable resources on food imports, resources which would have been allocated to development projects in education or health. The issues of food security, environmental damage, and population growth were therefore fundamental aspects of development.

7. Policies to combat and prevent inflation, which were currently receiving priority at the world level, were a constraint on the growth of the African developing countries. Sierra Leone believed that the emphasis should be shifted to formulating policies for growth and jobs creation.

8. Despite the many initiatives and conferences on African development organized by the United Nations and the Bretton Woods institutions and notwithstanding the many statements and resolutions on the problems of Africa, the situation had hardly improved. His delegation nevertheless welcomed the initiative to ease the external

debt burden of the heavily indebted poor countries and the decision of President Clinton to do everything possible to forgive 100 per cent of the debt owed to the United States by the heavily indebted poor countries. However, that was no more than a statement of good intentions.

9. His delegation was aware that its statement was thought-provoking but wished to be equally controversial in conclusion. The African countries must not be exposed to the fluctuations of the world markets but must instead pursue policies to nurture and protect their local markets. In other words, they must delay their participation in the globalization process until they were able to compete on an equal footing with other countries.

10. **Mr. Mwakawago** (United Republic of Tanzania) said that his delegation associated itself with the statement made by the representative of Guyana on behalf of the Group of 77 and China and noted that the Committee had to deal with questions which were particularly critical for the revitalization of international cooperation for development, including the question of financing.

11. The rate of world economic growth had fallen from 3.3 per cent in 1997 to 2 per cent in 1998 owing in particular to the volatility of financial markets and the continued decline in commodity prices. Those two phenomena had severe consequences for the economic prospects of the developing countries. Despite the economic reforms which they had introduced many countries had registered poor economic growth and were increasingly vulnerable to an unfavourable external economic environment. The situation was even more critical for the least developed countries, whose economies were fragile and which were bearing the full brunt of the globalization and liberalization of the world economy.

12. The international community must therefore take urgent action and in particular fulfil its commitment to support the economic reform measures introduced by many countries as a means of promoting development.

13. The external debt crisis, which continued unabated, was jeopardizing the efforts of developing countries. Most of those countries used a third of their export earnings for debt reimbursement, which obliged them to reduce services to their people while at the same time the number of poor people increased. The United Republic of Tanzania welcomed such debt relief measures as the Heavily Indebted Poor Countries Initiative, but was of the view that they were insufficient. The conditionalities for aid should be made more flexible and the criteria for eligibility more objective in order to enable a greater number of least developed countries to benefit from it.

14. As trade accounted for only a small share of the economic activity of the developing countries, and particularly the least developed among them, those countries were in a comparatively weak position to benefit from globalization and liberalization. Transfers of financial and technological resources were needed to help such countries build capacity and improve their trade performances. His delegation hoped that the Ministerial Meeting of the World Trade Organization in Seattle and the tenth meeting of the United Nations Conference on Trade and Development in Bangkok would lead to a more equitable and better balanced system of international trade and would strengthen global cooperation.

15. Industrialization played a role in economic growth and sustainable development. In developing countries, it could contribute to the eradication of poverty, the participation of women in development and the creation of jobs. However, in many of those countries, industrialization had been thwarted by the lack of technologies and capital and by poor infrastructures. The international community should provide assistance in the areas of technology transfer, financial resources and capacity building in order to enable developing countries to enhance their productivity and competitiveness at the global level.

16. The implementation of Agenda 21 could not proceed unless the problems of financial resources and of the transfer of environmentally sound technology were resolved. The solution to such problems lay in part in the political will of the development partners to fulfil their commitments.

17. Africa was still experiencing grave economic difficulties caused by its indebtedness, falling commodity prices, limited market access, lack of foreign investment, declining levels of official development assistance and, in some countries, the impact of civil conflicts. Such problems compromised prospects for the rehabilitation and development of the region. Collective action by the international community was therefore required to support the efforts of the African countries in favour of economic growth and sustainable development.

18. The United Republic of Tanzania was totally committed to economic and technical cooperation among developing countries as a tool for promoting economic growth, strengthening technological capacities and accelerating development. However, the international community must continue to provide technical and financial support as a backup to the efforts of the African countries.

19. **Mr. Al-Hadid** (Jordan) said that the current meeting was particularly important, in part because it was the final meeting of the century and in part because it preceded an important series of international conferences, in particular the Ministerial Meeting of the World Trade Organization, to be held in November 1999 in Seattle, the tenth meeting of the United Nations Conference on Trade and Development to be held in February 2000 in Bangkok, and the first summit of countries of the South, to be held in April 2000 on the theme of globalization, science and technology and North-South cooperation, which were issues of immediate interest to the Committee. The gulf between the developed and the developing countries continued to widen and indebtedness remained the main barrier to sustainable development. The situation of numerous developing countries was deteriorating further because of the continuing decline in commodity prices, difficulties in access to markets, the withdrawal of foreign investment and the reduction in official development assistance, which was far from attaining the goal of 0.7 per cent of the gross national product of the developed countries. Globalization was a structural phenomenon which comprised advantages as well as drawbacks and which made no distinction between the strong and the weak; hence the need to establish an institutional framework for North-South cooperation and to strengthen the role of the various bodies, programmes and funds of the United Nations.

20. Jordan had suffered severely from the economic consequences of the Gulf War. Although it had achieved some success in implementing structural adjustment programmes in collaboration with the International Monetary Fund, it had also been adversely affected by the fiscal crisis that had struck the countries of south-east Asia. Despite a decrease in Jordan's debt as a proportion of its gross domestic product, the debt burden continued to retard its development. Debt-service payments, which were nearly $800 million per year, discouraged foreign investors from investing in Jordan despite all the legal and financial facilities that were available to them. Convinced of the need to liberalize its economy, Jordan had been one of the first signatories of a free-trade agreement among Arab countries which would enter into force in 2007. It had also signed, in November 1998, an agreement of association with the European Union, and it had begun negotiations to join the World Trade Organization.

21. The continued policy of establishing illegal Israeli settlements constituted a flagrant violation of General Assembly and Security Council resolutions as well as a serious obstacle to peace. The exploitation by Israel of natural resources, especially water, in the Palestinian territories and the occupied Syrian Golan jeopardized the development of the Palestinian economy, with all the consequences thereby entailed at the level of the daily lives of the Palestinian people and the Arab inhabitants of the occupied Syrian Golan. His delegation reiterated the need to insist that Israel should put a stop to its policy of land confiscation and of establishment or expansion of settlements, and should obey the resolutions of international bodies.

22. **Mr. Shobokshi** (Saudi Arabia) said that, although globalization opened up promising possibilities, many developing countries feared being further marginalized and worried about the economic and social consequences of the reforms. Current international relations were founded on selective criteria which threatened the hard-won gains of a developing world struggling with problems of population, poverty and debt. It was therefore more important than ever to work towards a balanced world based on respect for mutual interests. While it was up to the developing countries to redouble their efforts to lift the barriers to their full participation in world trade by adapting their products to the criteria set by the developed countries, it was also incumbent on the developed countries to join that effort by making the criteria for admission to the World Trade Organization more flexible, by allowing developing countries to benefit from preferential clauses, by refraining from protectionist measures and by respecting the commitments assumed within the framework of the Uruguay multilateral negotiations and the World Trade Organization. In that connection, Saudi Arabia had taken part, to the limits of its abilities, in development aid at both the bilateral and the multilateral levels.

23. The Saudi Government placed particular emphasis on the struggle against desertification and drought and had constantly appealed for solidarity with the countries affected by those phenomena, especially in Africa. In that regard, it had formulated a special programme for drought control in the Sahel, whose first two phases (1980-1990) had required an investment of $130 million, while the third phase, begun in 1997, would be provided with a credit of $50 million. Moreover, in the area of assistance to countries affected by natural disasters, the Saudi Government had dispensed more than $3,692,000 between 1975 and 1997, in addition to its yearly assistance to the World Food Programme and to various international and Arab organizations responsible for the water and agricultural sectors, including the International Fund for Agricultural Development (IFAD), the Food and Agriculture Organization of the United Nations (FAO) and

the Arab Organization for Agricultural Development. The Saudi Fund for Development had provided $1,192 million in preferential credits to developing countries to finance 68 projects, especially in the agricultural and land-development sectors. In the water and sanitation sector, $351 million had been allocated to 20 projects. Finally, a credit of $1,131million had been provided to finance 37 projects in the energy sector.

24. The gulf between the developed countries and the developing countries continued to widen through the years, especially after the failure of economic negotiations within the framework of the North-South dialogue. The situation would continue to worsen as long as the major economic groups comprising the industrialized countries continued to apply selective policies.

25. **Mr. Aboul Gheit** (Egypt) said that the series of financial crises of the past two years and the spectre of global destabilization had narrowed the gap between the outlooks of the developed and developing countries and ought to have made it easier to adopt a common strategy thereafter. Yet now that the situation had normalized, the lessons of the crisis had simply been overlooked.

26. Some asserted that the crisis had been caused in large part by some of the economic policies commonly pursued by developing countries, but the fact remained that the magnitude of the crisis pointed to structural deficiencies in international economic relations, particularly when it came to effective participation by the developing countries in international decisions. It was therefore not logical to put the accent exclusively on the need for reform and good governance in the developing countries while disregarding the shortcomings of the global economic system, a number of which were discussed in the United Nations Development Programme (UNDP) *Human Development Report (1999)* and attributed to globalization. In that connection, Egypt was pleased that the United Nations had decided to consider the economic and social consequences of globalization in order to make the necessary recommendations, and felt that the Organization had a decisive role to play in remedying the global shortcomings and helping the developing countries to institute the reforms needed for their integration into the global economic system. In 2001, the "high-level consideration" should provide an exceptional opportunity to study the issues involved in financing for development and review the obstacles that prevented the developing countries from devoting the required financial resources to their development, ranging from the structural shortcomings of the international economic system to the domestic stumbling blocks stemming from weak institutional capabilities. The results of the conferences organized by the United Nations in the course of the 1990s should prove very useful in that connection.

27. On the eve of the third WTO Ministerial Conference to be held in November in Seattle, it made no sense to seek a further liberalization of international trade, which would be to the advantage of a handful of countries while harming a growing number of developing countries. Since the decisions of the Uruguay Round of multilateral trade negotiations had begun to put into effect, exports from developing countries had been running up against increasingly frequent non-tariff barriers, especially in the case of competitive commodities such as textiles, clothing and agricultural products. Furthermore, many developed countries had not respected the commitments they had made during the Uruguay Round, and hence the need to implement fully all previously concluded agreements before entering into new negotiations. The United Nations had a decisive role to play in international trade through the crucial work of UNCTAD.

28. His delegation attached particular importance to the operational activities of the United Nations because of their significance for development, especially in the least advanced countries, but those activities should remain within the boundaries set for them by the resolutions of the General Assembly and of the Economic and Social Council. It was also important for the United Nations to give due emphasis to the eradication of poverty in the least advanced countries, most of them African. A more effective way had to be found of dealing with economic problems, especially in relation to external debt, dwindling official development assistance and the collapse of prices for raw materials.

29. Egypt, like all African countries, was deeply disturbed by the deteriorating financial position of the Global Mechanism under the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, and hoped that the Committee would succeed in revitalizing the Mechanism before the Conference of the Parties was held in November.

30. **Mr. Mahbubani** (Singapore) associated his delegation with the statement made by Guyana on behalf of the Group of 77 and China, and said that he would speak on one single question: was globalization good or bad? No fashionable word was used as often as the term "globalization" and none had as many meanings and connotations. Most of the time, it referred to the global forces unleashed by developments in technology and

telecommunications, which had had a multiplicity of effects ranging from the political and economic to the social and psychological. Despite its huge impact, globalization remained intangible. There were two main camps: those who disapproved of globalization and those who favoured it.

31. The central argument made by critics of globalization was that all the benefits accrued to the rich developed countries while the poorer countries were marginalized. Many developing countries believed, in particular, that the Bretton Woods institutions and other multilateral organizations, set up in theory to regulate world markets and ensure that all countries were treated alike, in actual fact served the interests of the major developed countries.

32. The proponents of globalization acknowledged that it had powerful repercussions but saw them as positive. Before the advent of globalization, many countries had been marginalized because they had had no direct access to the developed countries, whereas currently all countries were interconnected. According to the supporters, the rich countries could no longer ignore poor countries, because what happened there could affect them directly, as evidenced by the Asian financial crisis. Globalization provided direct access to the financial resources, technology and markets of the developed world. Furthermore, the development of modern communications technologies, a concomitant of globalization, enabled jobs to be transferred from developed to developing countries.

33. By all accounts, one could make a persuasive case for or against globalization. In Singapore, globalization was not viewed as being inherently good or bad, but as a reality to which one had to adjust and with which one must make one's peace.

34. **Mr. Ageyev** (Kazakhstan) said that in future globalization would exercise a decisive influence on the socio-economic development of States. As an objective phenomenon, it required a reconsideration of the realities of the world economy; in both its complexity and its universality, it called for recourse to the United Nations in the search for new guiding principles for the world economy. In his report on the work of the organization (A/54/1) the Secretary-General had spoken of the challenges and opportunities presented by today's globalized financial markets, particularly for developing and transition economies. In that regard, Kazakhstan supported the proposal to convene, not later than 2001, a high-level international forum on financing for development.

35. The expansion of the dialogue between the United Nations and the Bretton Woods institutions was important for the stabilization of the world economy and the renewal of development. In that regard, the holding in April 1999 of a special high-level meeting between the Economic and Social Council and representatives of the Bretton Woods institutions, which had enabled a discussion of the socio-economic aspects of globalization and the establishment of a new international financial architecture, was auspicious.

36. Kazakhstan appreciated the activities undertaken by the United Nations to assist countries in transition to integrate into the world economy. Worth emphasizing in that regard was the adoption of General Assembly resolution 53/179, which had laid the necessary foundations for those countries to receive technical assistance and advice with a view to hastening their transition to a market economy and to creating openings in the world market for their goods and services. Since the countries in transition were still experiencing considerable socio-economic difficulties, it was important for them to pursue their cooperation with the United Nations as outlined in that resolution.

37. For a landlocked country such as Kazakhstan, which enjoyed vast reserves of natural resources but was far away from world markets, the question of access to commercial routes, especially for the transport of petroleum, was vitally important. The development of transport equipment had been one of the major development priorities set out in the development strategy through the year 2030, proposed by President Nazarbaev. Kazakhstan highly valued its cooperation with the United Nations on the development of transport and transit networks through the landlocked countries of Central Asia. General Assembly resolution 53/171 on the transit environment in the landlocked States in Central Asia and their transit developing neighbours would contribute to the establishment of a transportation system in that region and consequently facilitate the export of goods and services from the Central Asian countries to world markets. It was also important for the United Nations Conference on Trade and Development (UNCTAD) to formulate a programme that would facilitate transport and transit in the landlocked countries of Central Asia and their transit developing neighbours.

38. Kazakhstan, pursuing a policy of enhanced regional economic cooperation, was actively making use of the possibilities offered by the United Nations. It welcomed the cooperation extended by the Economic Commission for Europe and the Economic and Social Commission for Asia and the Pacific with a view to developing and

implementing the United Nations special programme for the economies of Central Asia (SPECA), the objective of which would be to assist the countries of Central Asia in strengthening their cooperation, stimulating their economic development, and integrating into the economic life of the countries of Europe and Asia. Current geopolitical realities demanded the development of a space exclusively for transport and telecommunications. Kazakhstan therefore supported the reopening of the Silk Route between the continents of Europe and Asia, which would galvanize economic development in the region of Central Asia.

39. Kazakhstan attached great importance to economic cooperation within regional organizations. Since May 1998, it had chaired the Economic Cooperation Organization, which comprised 10 countries in the region of Central Asia, and which offered considerable possibilities for the development and expansion of commercial and economic relations. Kazakhstan would continue to work within that organization to strengthen its ties to the United Nations. It would also continue to accord significant attention to economic cooperation within the Commonwealth of Independent States and the Central Asian Economic Community which was endeavouring to establish an exclusive economic and commercial space in its member countries.

40. Globalization had had adverse consequences on the environment of certain regions of the world, owing to the rapid expansion of the world economy and other human causes. As the century closed, sustainable development, environmental protection and the rehabilitation of ecological disaster zones were especially grave matters, calling for urgent solutions. Kazakhstan, which had ecological disaster zones such as the former nuclear testing ground of Semipalatinsk and the Aral Sea — whose very existence was endangered — would like the international community's assistance in finding solutions to ecological problems. In that regard, his delegation was extremely grateful to those Member States that had provided assistance to Kazakhstan in its efforts to surmount the socio-economic and ecological problems of the Semipalatinsk region. The resolutions adopted at the fifty-second and fifty-third sessions of the General Assembly entitled "International cooperation and coordination for the human and ecological rehabilitation and economic development of the Semipalatinsk region of Kazakhstan" had done much to arouse interest in the problems of the region. His delegation offered its special thanks to the Japanese Government and to the United Nations Development Programme (UNDP) for convening at Tokyo in September 1999 an international conference on the Semipalatinsk region, which had created a stir both in Kazakhstan and abroad. Also noteworthy in that regard was the significant assistance provided by the International Atomic Energy Agency (IAEA), the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and donor countries.

41. **Mr. Castaneda-Cornejo** (El Salvador) said that his delegation, like many others, believed that globalization and the market economy would be driving forces for development in the twenty-first century. The Second Committee would be assessing their impact on the development of States, multinational corporations, non-governmental organizations and civil society, as well as on the various international financial institutions and the United Nations system. Transformations brought on by globalization tended to provoke certain fears, although such changes were accompanied by considerable advantages and opportunities for all the countries of the world and for millions of people. It was important to take note of the efforts that had been undertaken at the national and international levels, including by El Salvador, to promote the private sector, to maintain a low inflation rate, to keep prices stable, to reduce bureaucracy, to restore the balance of trade or to create a surplus, to eliminate or reduce tariffs on imports, to eliminate restrictions on foreign investments, to monitor internal monopolies, to increase exports, to privatize national services and industries, to eliminate excessive control of capital markets, to authorize the conversion of national currencies, to open up industry and the bond and stock markets to direct participation by foreigners and national investors, to eliminate excessive and ineffectual controls on the economy, to eliminate governmental corruption and subsidies, to open banking systems and telecommunications to private investors, both national and foreign, and to allow all persons to choose their own kind of retirement fund.

42. Globalization was accompanied by grave institutional problems. The Government of El Salvador was therefore endeavouring to promote democracy in accordance with the values and principles set out in the Universal Declaration of Human Rights. In its view, a true culture of peace must be created in order better to confront international economic crises, to resolve problems arising from natural disasters like Hurricane Mitch, and to effect reforms in El Salvador and throughout Central America that would render those societies sustainable and significantly improve the quality of life of their citizens.

43. The Salvadoran Government believed that globalization and its economic, social, political and ideological impact should be analyzed and discussed. New consensuses must be reached on development, the external debt, official development assistance, sustainable human development, the role of women, prevention and assistance in cases of natural disaster, technology transfers, and cooperation among international financial entities.

44. **Mr. Lee See-Young** (Republic of Korea) said that by 1999, most of the crisis-stricken countries were recovering from the financial crisis of 1997. Nonetheless, bold steps must be taken at both the national and international levels in order to withstand the volatile swings of open capital markets while, at the same time, reaping their benefits.

45. Interdependence made international cooperation more necessary than ever. The international community should regulate short-term capital flows through an early warning system.

46. Poverty eradication and social policies should be the centrepiece of crisis management and economic reform. In the absence of a social safety net for the most vulnerable segments of the population, sustained economic growth was merely an illusion. The crisis had shown that causes and solutions were peculiar to each country.

47. Globalization raised complex intersectoral issues. The United Nations had a vital role to play and should continue to examine the impact of globalization on the financial crisis in developing countries, the persistence of poverty and the marginalization of Africa and the least developed countries. In a new international development paradigm, the Committee should consider the concept of human-centred development, i.e., eradicating poverty and promoting sustained economic growth, overhauling United Nations development strategies in order to ensure developing countries' ownership of their own development, and bolstering the role of the United Nations in economic cooperation. The United Nations had already promoted dialogue on globalization. The panel organized by the Department of Economic and Social Affairs on international governance within the context of globalization should serve as a starting point for the Committee's discussions.

48. His delegation was concerned at the reduction in official development assistance (0.22 per cent of the gross domestic product of developed countries). It supported measures to reduce the debt burden of heavily indebted poor countries (HIPC), such as the Cologne debt initiative, and was considering making a contribution to the HIPC Trust Fund.

49. His Government supported the implementation of Agenda 21 and a more active role for the United Nations in the areas of climate change, desertification and hazardous and toxic waste. In August, the Republic of Korea had acceded to the United Nations Convention to Combat Desertification. It welcomed the reforms under way in UNEP and, as a member of the Commission on Sustainable Development, would help to promote sustainable development.

50. In the spirit of South-South cooperation, the Republic of Korea shared its experience with developing countries and, despite the economic crisis, was committed to expanding its assistance by financing an international cooperation project and dispatching hundreds of experts. In order to facilitate the transfer of environmentally sound technologies, the Republic of Korea would host a forum on South-South cooperation in science and technology transfers, to be held in Seoul in February 2000. In 1994, the Republic of Korea had agreed to serve as host for the International Vaccine Institute, whose aim was to help developing countries to develop vaccines. That Institute would become operational in the near future.

51. **Mr. Belinga-Eboutou** (Cameroon) welcomed the positive impact of globalization and, at the same time, expressed the fear that it would widen the gap between rich and poor countries and marginalize the countries of the South. Poverty eradication, environmental protection and the control of pandemics, particularly, AIDS, called for concrete solutions.

52. There were many causes of poverty. The economic growth rate of Africa (3 per cent) was very far from the 7 per cent required to reduce poverty by half by 2015 on that continent. Proposed solutions included increasing official development assistance and investments in poor countries; improving access to global markets for their products; and dealing with the debt problem urgently and on an equitable basis.

53. His delegation welcomed the decision by the United States of America to forgive the bilateral debts of poor countries. the assistance provided to developing countries would make it possible not only to prevent their marginalization but also to maintain a global balance. In that spirit, Cameroon and other Central African countries had undertaken a commitment to work together to protect the environment and conserve natural resources. To that end, they had decided to establish transboundary protected areas in the Congo River basin in order to preserve biological diversity, even though forests were a major source of income. The international community should

recognize that sacrifice to world ecological equilibrium by providing compensation in the form of a fund for the preservation and sustainable management of forests and biological diversity in central Africa. To that end, it should mobilize considerable resources, since the protection of fauna and flora represented a very heavy drain on the fragile economies of the region. His delegation would therefore submit a draft project on that question. Environmental protection, like AIDS, was a universal battle. That pandemic threatened not only the future of millions of African men and women but also of all humankind.

54. The twenty-first century offered hope for many things: solidarity; prosperity; the consolidation of peace and democracy; the protection of human, political and social rights; and, above all, the right to development.

55. **Mr. Gabay** (Israel) said that, for 50 years, the international community had been implementing development programmes aimed at improving the quality of life throughout the world. Through those programmes, disease and infant mortality had been defeated; life expectancy had increased; agricultural production and, as a result, food security had also increased; and the rate of literacy had multiplied. On the other hand, unfortunately, one billion people continued to live in disgraceful conditions.

56. The issues confronting the Second Committee affected the well-being of humankind and the future of the planet. More than ever, people were united by a common destiny. Such phenomena as malnutrition or poverty threatened the prosperity of nations and thus, regional and global security. The fate of constant progress was in doubt. In view of those difficulties, sustainable development alone would guarantee the future of generations to come. In order to promote such a development paradigm, international cooperation should accord priority to the elimination of poverty, food security for all, the eradication of disease, climate change and desertification control and the protection of biodiversity.

57. Israel, for its part, had decided to make its contribution in the areas in which it had accumulated the greatest experience and expertise, namely, enhancing food production in arid and semi-arid zones, developing agriculture-based communities and improving water management through new irrigation and recycling technologies. Its development activities, whose focal point was the Centre for International Cooperation (Mashav), were based on a number of principles. First, successful field activities which had an impact at the macroeconomic level, should be based on a thorough assessment of the needs of the populations concerned and carried out in close coordination with local leaders. Second, innovations should be introduced on a case-by-case basis and draw on lessons learned. Moreover, projects should be designed at the local level before becoming integrated in national development plans ("bottom up" approach). Israel exported its accumulated experience and know-how by training professionals from all over the world.

58. Israel had made agriculture and rural development priorities because communities in rural areas were generally the least privileged. A major concern was the efficient use of water, because climate changes had made water resources increasingly scarce. Israel had developed great expertise in the management of plant-soil-water relationships and was cooperating with other countries in the development of "desert margin" areas, which involved new irrigation methods or solar energy production systems especially suited to desert environments. Conscious of the problems posed by the rural exodus, Israel was undertaking measures in the areas of rural urban integration and peri-urban agricultural systems.

59. Thanks to the financial assistance provided by the United States Agency for International Development, Norwegian and Danish institutions and United Nations agencies, Israel had implemented programmes aimed at developing human resources and transferring know-how. His delegation hoped that the international community, in a spirit of cooperation and good will and rising above any political issues, would continue its efforts to promote sustainable development.

60. **Mr. Rodriguez Parrilla** (Cuba) associated himself with the statement made by the representative of Guyana on behalf of the Group of 77 and China and said that it was paradoxical that our era was characterized not only by globalization and the domination of technology but by increasing poverty. That situation required a complete overhaul of the existing world order and its fundamental principles.

61. In addition to the Asian crisis of 1997, whose full effects were still unpredictable — and which had shown the need for rigorous and responsible management of financial and economic activity in every country and exposed the ineffectiveness of international financial institutions — the world was currently suffering from a development crisis. That situation entailed a questioning of the neo-liberal ideology which, in the name of globalization, had made the developing countries pay a heavy price for their illusions about progress. Thus,

ironically, the countries which had suffered the most from the crisis were those which had most fully liberalized their financial markets and become most heavily involved with globalization processes. The affected countries were for the most part the developing countries, because the developed countries had even managed to profit from the fall in the price of commodities and the redirection of capital flows towards the industrialized economies. Thought must therefore be given to finding a management model for the world economy that would allow mankind to fight poverty more effectively in the twenty-first century.

62. The solution was to create a new, fair and sustainable world order, which would require the participation of developing countries in collective decisions and the complete overhaul of the international monetary and financial system currently dominated by the power of the dollar. A new, coherent definition of development must also be adopted that would do away with the artificial separation of trade, investment and finance, reduce the growing gap between the richest and poorest countries and abolish protectionist practices, which so flagrantly violated the principles of liberalism.

63. In that regard, it would be useful, as proposed by the Group of 77 and China, to organize under United Nations auspices a conference on the financing of development, which would provide a forum to discuss those problems in a truly democratic fashion. The next Ministerial Conference of the World Trade Organization (WTO) to be held in Seattle, would also provide an opportunity for all the developed countries to demonstrate their will to assume their obligations by taking the steps necessary to eliminate the imbalances typical of the international trade system, grant the developing countries the required special and differential treatment and throw open their markets to products from those countries. There had been numerous appeals to refocus the new cycle of multilateral trade negotiations on development issues. The United Nations Conference on Trade and Development (UNCTAD) was well placed to assist the developing countries to prepare for such a debate. The Second Committee must therefore make a positive contribution both to the Seattle conference and to the tenth session of UNCTAD.

64. Technological progress was one of the driving forces of globalization. Only those countries having adequate know-how could take full advantage of globalization's potential. The United Nations had not yet accorded sufficient attention to that issue; the activities of the Commission on Science and Technology for Development should therefore be renewed.

65. Finally, international development cooperation and official development assistance (ODA) must be reinforced because the developed countries, while stressing coherent follow-up to world conferences, had not truly respected their commitments to the area of transfer of resources and technologies. The credibility of United Nations actions would be measured above all by the concrete steps taken by the system to combat poverty in the field. Rhetoric must be replaced by a true partnership for development in which each partner assumed its historic responsibilities for solving the urgent problems faced by mankind.

66. Recognizing that the countries of the South must play a leading role and that the international community must better understand their aspirations, problems and advantages, the Group of 77 and China had decided to convene in 2000 the first South Summit, which would have as a priority to try to better understand the challenges of globalization and to define concrete measures to be adopted in the areas of South-South cooperation and North-South dialogue. As host country for the conference, Cuba would encourage open dialogue and fruitful exchanges of views.

67. **Mr. Acemah** (Uganda), aligning himself with the statement made by the representative of Guyana on behalf of the Group of 77 and China, observed that as the third millennium approached, the world economy seemed to have achieved rather mixed results. The objective of reducing poverty by half by the year 2015 seemed out of reach. Although important progress had been made in the area of debt reduction, the problem of heavy debt loads remained unresolved. The exponential growth in world trade had not benefited the developing countries, and their economic position as a group had deteriorated, a situation that required a realignment of global opportunities and the redistribution of wealth.

68. The many problems to be resolved required an integrated approach, involving an international dialogue that would include the key areas of investment, finance and access to technological and financial resources. There was no panacea, and a whole set of actions needed to be taken to enable developing countries to exploit global opportunities. In order to guarantee sustained growth and sustainable development, the entire international community must make major structural changes in the areas of production and consumption and make concessions in sensitive areas such as agriculture and access to technology within the framework of widened and reinforced international cooperation for development.

69. Globalization and interdependence together with the opportunities and risks they presented, had taken centre

stage in 1997 with the advent of the Asian financial crisis. Although that crisis was over, the necessary lessons must be learned in order to avoid any repetition. His delegation believed that the item on globalization and interdependence should remain on the Committee's agenda, and he welcomed the fact that the *Human Development Report 1999* focused on globalization. In order for globalization to benefit all, it was essential that it not degenerate into a runaway private sector-driven process without a human face; that the major actors ensure that the profit motive did not compromise the objectives of the general interest and public good, which were priorities in the developing countries; that all countries participate effectively in international economic and financial decision-making; that international development cooperation be reinvigorated, in particular in the areas that would best help the developing countries to benefit form globalization, such as trade, investment and physical and institutional capacity-building; that donors meet the objective of 0.7 per cent of GNP for official development assistance (ODA); and finally, that governance be strengthened in order to make better policy choices which would minimize the risks of globalization.

70. In that context, in view of the importance of the role played by transnational corporations in globalization, Uganda had suggested reactivating the United Nations Centre on Transnational Corporations and the United Nations Commission on Transnational Corporations, whose abolition had been a mistake.

71. Any debate on sustainable development should refer to the small island developing States which could only survive if human activity did not bring about dramatic environmental consequences such as global warming. His delegation welcomed the fact that the twenty-second special session of the General Assembly had been devoted to those countries and reiterated its commitment to the results of the Rio Conference and to Agenda 21 which offered a blueprint for environmentally sound development, with the responsibility shared by all.

72. Financing for development was another major theme deserving special mention. There was every reason to strengthen international cooperation for development, as the assistance offered to the least developed countries would enable them to take their legitimate place in the community of nations; that would not be to the detriment of the developed countries, since they would benefit from expanded opportunities for trade in a world free from the potential risks of polarization and conflict of interests that could have negative social and political consequences.

73. That effort was all the more necessary as the economic growth of developing countries overall had declined; the least developed countries and Africa had suffered the most, since their situation had been further aggravated by civil and political strife and the spread of diseases such as AIDS, malaria and tuberculosis. Uganda welcomed the agreed conclusions adopted by the Economic and Social Council at its coordination segment in 1999 and the call for the Secretary-General to commission an independent evaluation of the United Nations New Agenda for the Development of Africa in the 1990s as an input to the high-level segment of the Council in 2001 and the final review of the New Agenda in 2002. New support mechanisms for African development in the subsequent decades should also be considered, even if the African countries themselves would have to take the necessary action in such areas as peace and security, good governance and political and economic reforms.

74. Finally, with regard to the third United Nations Conference on the Least Developed Countries, his delegation believed that the least developed countries should be helped to benefit from opportunities in the areas of trade and investment. The WTO Third Ministerial Conference should take concrete actions in the areas of guaranteed and duty-free market access for products from developing countries, full implementation of the Marrakesh Declaration and Ministerial Decision on Measures in Favour of the Least Developed Countries as well as special and differential treatment of such countries as an integral part of the multilateral trading system, including measures to facilitate trade. Commending the work of UNCTAD in that area, his delegation emphasized the importance of the current debate which gave the United Nations an opportunity to make a meaningful contribution to international economic decision-making.

75. **Mr. Dan Nanjira** (World Meteorological Organization) said that some of the items under consideration by the Second Committee — such as those relating to the atmosphere, the environment, implementation of Agenda 21, the conventions on climate, desertification and biodiversity, natural disasters, and small island developing States — were relevant to the mandate of the World Meteorological Organization. Those issues all required concerted international efforts and strong political commitment from the international community.

76. The meteorological and hydrological services were making an outstanding contribution to the safety and welfare of mankind; indeed, thanks to scientific forecasting and warning services, Governments could forewarn and

protect their people from hurricanes, floods, and other natural disasters; improve agricultural productivity; and manage water resources more efficiently as well as minimizing the impact of desertification, acid rain, ozone layer depletion and other threats to the environment.

77. The thirteenth WMO Congress, held in Geneva in May 1999 had mapped out a strategy for the twenty-first century, in the framework of the existing unique system of international cooperation among meteorological services. The organization's future activities would focus on ensuring that national meteorological and hydrological services would have ready access to accurate data under the principle of unrestricted exchange of data; that the potential of meteorological and hydrological early warning systems would be fully realized in order to reduce loss of life and property; that collaboration among scientific communities would lead to the development of effective forecasting systems and a global environmental monitoring system based on the World Weather Watch. The international community should reassess the contributions of science and technology to development with a view to enhancing the applications of advances in science and technology, including the geosciences, to sustainable development.

78. **Mr. Shen Guofang** (People's Republic of China) said that globalization had created enormous economic wealth but had also widened the gap between rich and poor and exacerbated inequality. Globalization should bring prosperity to all, through cooperation and the establishment of a new world order. There would be no global prosperity without growth and development of developing countries which were home to 90 per cent of the world's population. The new world order should put developing countries on an equal footing with the developed countries, which should demonstrate their political will and sense of responsibility to contribute to a just and equal world.

79. The few developing countries that had managed to develop some competitive products had suffered from the protectionism of the developed countries. Trade liberalization and the opening up of markets should be carried out in such a way as to eliminate trade barriers imposed on products from developing countries. The fact that some of those countries were excluded from the World Trade Organization was cause for concern, since joining that agency was an essential step towards integration into the world economy.

80. The recent financial crises in Asia had shown that the opening of the capital account should not go beyond the capacities of a country's financial system and that the burden of responsibility should not be placed on developing countries alone. Moreover, it was clear that a solution decided only by the international financial institutions was not adequate and that each situation should be settled individually. International financial management should be ameliorated to allow developing countries the right to full participation in capital movements. The United Nations conference on the financing of development, to be held in 2001, would provide an opportunity to discuss many important issues, such as financing resources and the international financial system. New rules in the international economic field should be democratic and ensure developing countries' equal rights, reversing the existing situation where developed countries laid down rules and developing countries were left with no choice but to follow.

81. The role of the United Nations in the field of development had been weakened over recent years. As the most representative international organization, however, it should play a leading role in the establishment of a fair and reasonable new international economic order that could solve the problems of the new century. United Nations operational activities had helped to facilitate the capacity-building efforts of developing countries. It was to be hoped that donor countries would give them due priority so that the downward spiral of voluntary contributions could be reversed at an early date.

82. The People's Republic of China celebrated its fiftieth anniversary in 1999. Despite the difficulties it had suffered in the Asian financial crisis, China was convinced that it should stick to the path of development suited to its national conditions and pursue its strategy of opening up with determination and confidence. Many reforms were under way in order to transform the mode of production and rejuvenate the country through science and education, with a view to sustainable development. China also intended to be actively involved in international cooperation at various levels and contribute to world prosperity and stability.

83. **Mr. Kebede** (Ethiopia) said that the Second Committee was ideally positioned to contribute to the debate on globalization and produce a coherent analysis of its various impacts. Globalization, which had both benefits and pitfalls, could increasingly marginalize the countries of sub-Saharan Africa in the emerging global economic order. Those countries endured serious fluctuations in the global markets, with the prices of commodities having fallen to their lowest level in a century and a half. They had shown little growth in exports and attracted virtually no

foreign investment. In sum, global opportunities were currently unevenly distributed between countries and peoples. The international community should therefore undertake a rigorous and balanced review of the international framework for global trade and finance. In that regard, the World Trade Organization Ministerial Conference, the tenth session of UNCTAD and the various mid-term review meetings scheduled for the months and years ahead should consider policies which could help to ensure the successful integration of developing countries into the world economy on an equitable basis and avoid the risk of further marginalization.

84. The revitalization and strengthening of international cooperation was necessary in order to facilitate the active participation of developing countries in the world economy. Development cooperation had to be structured systematically to transfer resources and know-how from the rich to the poor. Its overriding moral goal should be to combat poverty and ultimately enable developing countries to participate as equal partners in the international economic order. If international cooperation was to make a difference in the next millennium, it required sustained and long-term commitment by development partners.

85. The failure of international cooperation over the past three decades was due to the fact that it had never had the volume of resources that had been promised, not to mention what was needed to make an impact. Most of the development partners were far from reaching the agreed target of 0.7 per cent of their GNP for development aid, and in some cases their contribution had shrunk. All too often, small amounts of development assistance reached developing countries only after a long decision-making process and being tied to all sorts of conditions. Both developed and developing countries had the responsibility to improve the quality of development cooperation. Success would be achieved by collectively undertaking constructive dialogue as equal partners. A more transparent, predictable and stable partnership was needed, and the rules of the game should be clearly understood. It required confidence to be effective. In that regard, Ethiopia attached paramount importance to the report of the Ad Hoc Open-ended Working Group on Financing for Development and hoped that the convening of a conference on that topic would provide the opportunity to examine scrupulously the problem of development financing in a coherent manner.

86. The debt overhang problem had a critical bearing on the ability of developing countries to mobilize resources for development. Many excellent declarations of intent had been made by the creditors. The latest initiative — the Heavily Indebted Poor Countries Debt Initiative — was indeed a step forward. Practice had shown, however, that the measures envisaged by the initiative were half-hearted and far from adequate, as had come to be recognized by its authors. The debt stock of developing countries, and especially of the highly indebted poor countries, was clearly unsustainable. Given its negative impact on their economies, the issue needed to be discussed fundamentally from a political angle and from the perspective of sustainable growth and development. The international community should adopt radical measures, such as debt cancellation or conversion into grants of official bilateral and multilateral debt. That would not be beyond reach. His delegation hoped that the Cologne summit meeting's initiative on enhanced debt relief and the recent announcement at the annual meeting of the International Monetary Fund and the World Bank would contribute to a durable solution to the debt overhang problem.

87. The developing countries should play an enhanced role in the international trade regime. Since the conclusion of the Uruguay Round in 1994, several studies had shown its likely implications for the world economy and especially for developing countries. Losses in sub-Saharan Africa were considerable. African exporters faced reduced preferential tariff margins, and Africa would lose its privileged status under the Lomé Convention in respect of textiles, clothing and agriculture. Thus the effective integration of African countries into the multilateral trading system and their full participation in the WTO process needed to receive priority attention at the upcoming Ministerial Conference and the next session of UNCTAD. The opening of the markets of the North to the products of African countries should be one of the major goals of the conferences if the multilateral trading system was to be strengthened. It was also imperative to implement the provisions on special and differential treatment and indeed to expand the concept, given the dynamic nature of the international trade system. Supply-side weaknesses resulting from the difficulties of economic diversification and the fall in commodity prices were problems requiring an urgent response in the next cycle of negotiations on trade and development.

The meeting rose at 1.20 p.m.